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December 7, 1995

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Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

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DEC - 7 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Re: WT Docket No. 95-157

Dear Mr. Caton:

In accordance with Section 1.1206 (a) (2) of the Commission's Rules, 47 C.F.R. § 1.1206 (a) (2) (1991), this is to notify the Commission that on December 7, 1995, copies of the enclosed "Summaries of Comments on the Notice of Proposed Rulemaking in the Matter of Amendment to the Commission's Rules Regarding a Plan for Sharing the Costs of Microwave Relocation" were sent to David Siddall, Rosalind Allen, Gregory Rosston, Robert Pepper, Ruth Milkman, Lisa Smith, Bruce Franca, Donald Gips, Jackie Chorney, Kathleen Ham-O'Brien, Rudolfo Baca, Jane Mago, and Michele Farquhar.

Respectfully submitted,



R. Michael Senkowski

RMS:daj
Enclosures

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**SUMMARIES OF COMMENTS ON THE NOTICE OF
PROPOSED RULEMAKING IN THE MATTER OF
AMENDMENT TO THE COMMISSION'S RULES REGARDING
A PLAN FOR SHARING THE COSTS
OF MICROWAVE RELOCATION
WT DOCKET NO. 95-157**

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December 6, 1995

FORWARD

On October 13, 1995, the FCC released its Notice of Proposed Rulemaking on microwave relocation cost sharing in the 2 GHz band. Comments were filed on November 30, 1995. These comments are briefly summarized herein, arranged alphabetically by company or organization name. Reply comments are due on December 21, 1995.

We have done our best to represent each commenter's positions accurately on a range of issues within one or two pages and in a consistent format. Due to space and time constraints, however, many supporting arguments have been truncated and rephrased to conserve space. Accordingly, in all cases, it is highly advisable to review the actual commenter's text. All summaries have page references to the actual commenter's text.

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ALCATEL NETWORK SYSTEMS

Interest: Manufacturer and supplier of microwave radios

Cost Sharing

- Generally endorses TIA's comments. (1)

Compensable Costs

- Endorses TIA proposal that adjacent channel interference protection is a relevant factor in determining cost-sharing requirements. (2)

ALEXANDER UTILITY ENGINEERING INC.

Interest: Engineering consulting firm

Cost Sharing

Reimbursement Cap

- Supports proposed per link caps limited to the cost sharing formula. The cap should have no impact on the independent negotiation between the microwave incumbent and the relocater. (2-3)

Relocation Rule Modifications

Definition of Good Faith and Comparable Facilities

- Not possible to ascertain "comparability" when analog facilities are to be replaced with digital facilities. The negotiation process is the best way to determine comparability. (2-4)
- Flawed assumption that the operating cost of all microwave systems are the same if they contain the same number of links. Underestimates the differences in analog v. digital systems. The digital replacement for an analog system can less than an analog replacement. (4-5)
- Difficult to compare throughput between an analog and a digital system. The proposed definition of system reliability should encompass a system age component. (5-6)
- More efficient and cost effective for parties to move all links in a system at once rather than relocating them piecemeal. (6)
- Encourages the licensee and incumbent to have up-front initial meeting to reach an initial agreement detailing the engineering and research cost estimate preparation for various alternatives. (7)
- Depreciated value of existing equipment should not be considered in the negotiation process because most existing equipment will be removed for junk. (7)

Attachments discuss relocation cost estimates for 1.9 GHz analog to 6 GHz digital (Attachment B) and analog (Attachment A). Attachment C discusses relevant "study factors."

AMERICAN GAS ASSOCIATION

Interest: Trade association for natural gas distribution, transmission, gathering and marketing companies in North America

Cost Sharing

Reimbursement Cap

- Opposes reimbursement cap of \$250,000 per link plus \$150,000 if a tower is required. An arbitrarily low cap is likely to result in new licensees refusing to pay a higher amount when in fact the specific requirements of a particular relocation dictate a much more expensive system be put in place. This may unnecessarily deadlock negotiations. (4)

Relocation Rule Modifications

Definition of Good Faith and Comparable Facilities

- Opposes the FCC's proposal to limit the quality of the system that will be provided upon relocation. Relocated incumbents should not be required to accept anything less than what they would acquire if they were voluntarily replacing their systems today. Installing state-of-the-art equipment is also consistent with the FCC's goal of increasing spectrum efficiency and provides greater assurance that systems put in place today will not be obsolete in the near future. (3-4)

Secondary Status in 2005

- Opposes proposal to relegate all incumbent users still operating in the band to secondary status as of April 2005. This could act as a disincentive to negotiations between incumbent users and PCS providers, particularly for incumbents in rural areas that are not slated for build-out by PCS until much later. (5)

Other

- Delays in coming to agreements have resulted from natural gas operators seeking to determine how best to proceed with the complex transition process, not attempts to extract greater financial reward from new licensees. (3)

AMERICAN PETROLEUM INSTITUTE

Interest: Trade association of petroleum and natural gas companies (microwave licensees).

Cost Sharing

- Generally supports the creation of "reimbursement rights" through a cost-sharing proposal, although it outlines specific modifications to the Commission's proposal. (5)

Compensable Costs

- The Commission should not limit the definition of "actual costs" to the actual costs incurred in relocating an incumbent to comparable facilities because that definition limits negotiations during the voluntary phase and might not compensate incumbents for all associated costs, such as hot standby equipment, new buildings, and lost business revenues. (7-8, n.4)

Sunset Period

- The 10-year duration of the cost-sharing formula should commence when the PCS licensee makes the initial payment to the incumbent, rather than 10 years from the start of negotiations to avoid unfairly penalizing those parties involved in later negotiations. (9)

Reimbursement Cap

- The reimbursement cap should be set at \$600,000 per link as originally proposed by PacBell. An inadequate reimbursement limit will inhibit open negotiation between the parties. (10)

Reimbursement Rights and Date of Obligation

- Generally supports the Commission's pro rata reimbursement proposals when one end-point of a link lies inside the relocater's service area or both end-points of a link lie inside the relocater's service but the link is not entirely within the relocater's frequency block. (9)

Interference Standard and Trigger for Obligations

- Additionally, the Commission should permit a PCS licensee to receive 100% reimbursement (up to the cap) for relocating a link that is inside its market area and outside of its frequency block, as long as the relocater's own facilities would not have caused adjacent channel interference. Similarly, an adjacent

licensee should also participate in reimbursement when an entire link is located in a single MTA, but its close proximity to an adjacent MTA impacts that adjacent PCS licensee. (9-10)

- The Commission should include both co-channel and adjacent channel interference in determining cost-sharing reimbursement. It should permit reimbursement if the subsequent licensee would have interfered with the microwave incumbent if that incumbent was still operating. (6)

Installment Payments

- Seeks to clarify the Commission's installment payment proposal to provide that UTAM must pay microwave incumbents immediately or as stipulated by agreement with the incumbent, and that only the cost-sharing reimbursement may be paid in installments. (11)

Role of Clearinghouse

- Agrees in theory with the idea of a clearinghouse, but urges the Commission to require that a neutral third party administer any such clearinghouse. (11)

Relocation Rule Modifications

Definition of Good Faith and Comparable Facilities

- Supports the Commission's plan to place a floor rather than a ceiling on acceptable standards for comparable facilities. However, opposes the Commission's proposal to permit "trading-off" system parameters. (12-13)
- The "communications throughput" aspect of the comparable facilities definition must be clarified to encompass the capacity of the incumbent system, not the level of actual use. (13)
- Agrees with the Commission's definition of operating costs, but seeks the Commission to clarify that its definition of operating costs includes the total costs to operate and maintain the microwave system. (13-14)
- The Commission should add a fourth element to its definition of comparable facilities -- the proposed replacement links must also have like "serviceability." (14)
- In those cases where relocation of one link degrades the overall system, the PCS licensee must be required to pay the cost of furnishing "systematic comparability." (15)

Compensable Costs in Voluntary/Mandatory Period

- The Commission's definition of "extraneous expense" is far too narrow. PCS licensees should pay a microwave licensee's reasonable expenses in complying with the forced relocation. These costs may include those discussed under "compensable costs" in the comments to the cost-sharing proposal in the NPRM. (15)
- PCS licensees should be required to compensate an incumbent for the cost of replacing its existing system, rather than the depreciated value of the equipment. (16)
- Digital equipment is the only viable choice for many replacement systems. The Commission should recognize that, currently, digital equipment is not an upgrade but the standard for microwave systems. Furthermore, "manufactured/discontinued" equipment would be unacceptable as replacement equipment because it would not meet Commission reliability standards. (17)

Dispute Resolution

- The PCS licensee and microwave incumbent should not be required to obtain independent cost estimates during the voluntary negotiation phase. Should the Commission decide to mandate cost estimates, this requirement should only apply to the involuntary negotiation phase, and PCS licensees should reimburse incumbents for the cost of obtaining an independent estimate. (15-16)

New Microwave Licensing in the PCS Band

- The Commission should allow any modification to any existing microwave licensee's system so long as the modification does not increase the PCS's licensee's relocation costs. (18)

Twelve-Month Test Period

- Supports the Commission's proposal that the 12-month trial period should not commence until the relocated licensee commences operation on its new system. Additionally, agrees with the Commission's proposal that a microwave incumbent may surrender its 2 GHz channel before the end of the trial period without relinquishing any rights to satisfaction with the new system. (18)

Secondary Status in 2005

- Strongly opposes the Commission's proposal to convert all remaining 2 GHz microwave users to secondary status by April 4, 2005. Such a proposal might

harm rural market microwave systems and could constitute an unlawful taking of property without just compensation. (19)

Application of Rules to Other Spectrum

- The Commission should not modify its established microwave relocation rules in the *Emerging Technologies* docket because any change might harm ongoing negotiations and lessen the value that potential Block C bidders place on future licenses. (19-20)

AMERICAN PUBLIC POWER

Interest: National service organization representing the interests of electric utilities, many of which operate 2 GHz microwave systems

Relocation Rule Modifications

Definition of Good Faith and Comparable Facilities

- Opposes presumption of bad faith negotiations if an incumbent does not accept an offer of what a PCS licensee considers comparable facilities. This would undermine market-based negotiations by creating significant pressure for an incumbent to accept any offer by a new licensee. At a minimum, if this provision is ultimately retained, the FCC should create a similar presumption of bad faith on the part of an emerging technology licensee that fails to accept an incumbent's offer to relocate to what it defines as "comparable facilities." (3)
- Generally supports the factors the FCC has included in its broad definition of comparable facilities, but is concerned that an emerging technology provider may have the opportunity to "pick and choose" among the elements of comparability set forth in the NPRM. Incumbent users are best equipped to define their systems' operating needs. (3)

Secondary Status in 2005

- Opposes relegating incumbents to secondary status in April 2005 as this will result in involuntary relocations without compensation. By arbitrarily reducing systems to secondary status after ten years, the NPRM would reduce the reliability of these systems to a level at which it would be difficult to operate safely or reliably. (5)
- Does not agree that ten years is adequate time to complete microwave relocation negotiations since the incumbent has no means for compelling negotiations with the PCS licensee. This will discourage negotiations and encourage a PCS licensee to wait until the end of the period so that it will not have to relocate the incumbent. Incumbents could be forced to absorb the costs of relocation. If the FCC adopts this proposal, it must first be modified to ensure that incumbent users in the 2 GHz band are able to compel good faith negotiations with a new licensee prior to revocation of primary status. (6)

Other

- Agrees with principles set forth in UTC's comments and urges the FCC to give them favorable consideration. (3)
- The NPRM is inconsistent with the FCC's Initial Regulatory Flexibility Analysis which states that incumbents' services will not be disrupted and that the economic impact of the proceeding on them will be minimal. An "unfunded mandate" forcing incumbents to relocate without compensation would have a particularly severe impact on the limited budgets of smaller public utility systems. (6)

ASSOCIATION OF AMERICAN RAILROADS

Interest: Voluntary non-profit organization composed of member railroad companies operating in the United States, Canada, and Mexico

Cost Sharing

- Supports the adoption of a cost-sharing plan which will minimize the economic burden on and disruption to microwave incumbents, facilitate negotiations, and promote sound principles of equity. (ii, 15)
- Urges the FCC to deal only with the cost-sharing aspect of the NPRM and to defer or reject all of the remaining proposals. (4)
- Any cost-sharing plan adopted by the FCC must not undermine the freedom of the parties to negotiate between themselves to arrive at mutually advantageous terms. The FCC must reject any proposals which would have a chilling effect on those negotiations. (ii, 9-10)

Reimbursement Cap

- The proposed reimbursement cap of \$250,000 per link, plus an additional \$150,000 if construction of a tower is required, would impose an artificial cap and would have a chilling effect on negotiations. The reimbursement cap must be the actual relocation cost. Costs can be readily ascertained by the prospective bidders without the adoption of an artificial cap. (ii, 10-11)
- The reimbursement cap is not only unrealistic, but it also opens the door to the very problems that the cost-sharing plan was designed to resolve, including the free-rider problem. The Office of Engineering and Technology study, on which the cap is purportedly based, was itself based merely on a series of informal discussions in 1991. (11-12)

Interference Standard and Trigger for Obligations

- A subsequent PCS licensee should be required to reimburse an earlier PCS relocater if the subsequent PCS licensee would have interfered with the displaced microwave incumbent on either a co-channel or adjacent channel basis. (ii)
- The proposal to exclude adjacent channel interference from the formula for determining the cost-sharing obligation is flawed and will frustrate the FCC's stated objectives. A formula which ensures contribution for adjacent as well as co-channel interference will encourage PCS licensees to engage in system-wide

replacements, which will in turn minimize the disruption to the microwave incumbents and be the best guarantee of attaining reliable replacement facilities. (12-13)

Role of Clearinghouse

- If an industry-supported clearinghouse is created for purposes of administrative convenience, it is imperative that the clearinghouse be designed, maintained and operated in such a way as to guarantee the protection of confidential information. The initial ground rules regarding what types of information will be gathered, and to whom such data could be made available, must be established in an open process incorporating the comments and balancing the needs of all interested parties. For instance, microwave incumbents should be given the right to inspect and verify information pertaining to their own systems. (13)

Relocation Rule Modifications

Voluntary Negotiation Period

Definition of Good faith and Comparable Facilities

- The FCC must ensure that the definition of good faith negotiations imposes reciprocal obligations on both parties to the negotiations and that it does not preclude substantive discussions or penalize differences over what constitutes comparable facilities. (iii, 14)
- The notion of attempting to define what constitutes good faith negotiations reflects an improper level of government micromanagement of negotiations between sophisticated parties with substantial resources and has absolutely no rightful place in the FCC's rules. (14)
- The FCC's proposed clarification of the term comparable facilities threatens to benefit PCS relocators at the expense of the microwave incumbents and unfairly penalize the incumbents. The concept of comparable facilities is central to the relocation process, because it is indispensable to the continued safe and reliable operations of the nation's railroads and of other similarly situated entities like utilities and pipelines. (4, 14-15)
- Expresses concern that the three main factors identified for determining whether a facility is comparable (i.e., communications throughput, system reliability, and operating cost) will be construed narrowly so as to threaten the actual comparability of the new system. The FCC's statement that equivalency is not necessary in each and every element of system performance could encourage PCS relocators to compromise on certain aspects of comparability

by attempting to compensate with other factors. Expresses concern that under this three factor approach, an incumbent would be tied to out-dated technology when, if it entered the market today, it would purchase more spectrum-efficient technology. The FCC's definition of comparability fails to acknowledge the widespread availability of new generations of technology in the marketplace. (5-6)

- The FCC's proposals would further restrict the definition of comparability by obligating the PCS licensee to relocate only the specific microwave links in the incumbent's system that must be changed to prevent harmful interference by the PCS licensee's system. This limitation ignores the interrelated nature of the links in a microwave system and the very real possibility that partial relocation would degrade an entire system. The definition of comparability must be sufficiently comprehensive to ensure the quality of an entire network. (6-7)

Compensable Costs in Voluntary/Mandatory Periods

- The FCC's proposal to exclude extraneous expenses from the reimbursable costs of providing comparable facilities is completely at odds with the principle of full compensation for relocation costs. Even were they treated as overhead costs, they are 100% allocable to the relocation activity. The incumbent's ability to contribute effectively and meaningfully to the negotiation process will be severely hampered if it cannot recover the reasonable costs of consultants' and attorneys' fees. (7)

Dispute Resolution

- Parties should not be required to submit independent cost estimates during the voluntary negotiation period. An emerging technology licensee may choose to offer premium payments or superior facilities as an incentive to the incumbent to relocate quickly. Because the parties are free to negotiate or to refuse to do so during the voluntary negotiation period, it would be improper to require independent cost estimates during this period. (15)

New Microwave Licensing

- The scope of permissible modifications that will be entitled to primary status has progressively become narrower and narrower. Relegating such modifications to secondary status threatens to compromise the reliability of the entire system. (9)

Secondary Status in 2005

- Downgrading all microwave incumbents operating in the 1850-1990 MHz band to secondary status on April 4, 2005 would seriously undermine the 2 GHz incumbents' safe and effective use of private microwave systems. (8)
- Operating at secondary status after a set period of time is unacceptable for railroads because of the need for instantaneous relay of safety-related information. (8)
- Establishing a set date after which incumbents would be made secondary will encourage PCS licensees to simply wait out the incumbents and will increase the likelihood that incumbents will have to assume the costs of their own relocation. Because PCS development will likely be delayed in rural areas, the ten-year limit will also penalize those entities, such as railroads, which have extensive rural networks. (8-9)

Other

- Concerned that the FCC is now revisiting, and apparently rewriting, the rules set forth in the Third Report and Order and Memorandum Opinion and Order in ET Docket 92-9 ("Third R&O"). A number of proposals in the NPRM, if adopted, would undermine the protections afforded to the nation's railroads and other 2 GHz fixed microwave licensees, all of which were designed to ensure continued safe operations and fundamental fairness. (ii-iii)

**ASSOCIATION OF PUBLIC-SAFETY
COMMUNICATIONS OFFICIALS-INTERNATIONAL ("APCO")**

Interest: Association of public safety mobile radio users

Cost Sharing

- Generally does not object to cost-sharing among PCS licensees except for the reimbursement cap. (13, 14)

Reimbursement Cap

- Opposes placing an arbitrary cap on reimbursements among PCS licensees. Establishing a cap will make this the target figure for all negotiations, and PCS providers will resist paying more than that amount per path. (13)

Relocation Rule Modifications

Definition of Good Faith and Comparable Facilities

- Since digital equipment is now state-of-the-art and analog systems will be difficult to maintain, a microwave incumbent may be endangering the long-term reliability of its system if it is forced to install a new analog system at this time. (6)
- If public safety licensees are subject to mandatory relocation requirements, they believe that arms-length negotiations, not FCC guidelines should define replacement facilities in each circumstance. Parties should be allowed to resolve their differences without Commission intervention (7).

Compensable Costs in Voluntary/Mandatory Period

- Microwave incumbents should not be required to bear any expense that would not have been incurred "but for" relocation from the 2 GHz frequencies. This must include reasonable fees for consultants, engineers, and attorneys, and reasonable "internal" expenses such as overhead for its employees involved in relocation efforts. (8-9)
- If the scope of the negotiations in the mandatory period is limited by Commission regulations, it will essentially convert the voluntary period into a mandatory period. (9)

Public Safety Certification

- The Commission erred in its discussion of the definition of public safety by not stating that facilities used for operations involving safety of life and property do not lose their "public safety" status because they are licensed under Local Government Radio Service, Forestry Conservation Radio Service, and Highway Maintenance Radio Service. If a certification requirement is adopted, the Commission must incorporate the current rules found in Section 94.59(f). (11)

Secondary Status in 2005

- Strongly opposes the Commission's proposals to require that all remaining 2 GHz microwave users will be converted to "secondary status" in April 4, 2005. Such a requirement might harm systems that operate in remote areas or users in congested urban areas where comparable facilities are not available. (11-12).
- An incumbent microwave system should remain in primary status until it is relocated to comparable facilities. (13)

Other

- The Commission's proposed "clarifications" are in fact major changes that would have a dramatic and detrimental impact on public safety incumbents. These clarifications appeared to have resulted from a "carefully orchestrated and misleading PCS industry campaign" suggesting that incumbents are unfairly using the relocation process to extract excessive relocation agreements. (2-3)
- There is no "significant evidence" that the ongoing relocation negotiations are impeding PCS deployment or unfairly disadvantaging PCS licensees. To the contrary, microwave incumbents have readily entered into negotiations even during the current voluntary period. The fact that these agreements or negotiations have taken place suggests that the current rules are not as imbalanced as the PCS industry suggests. (3-4)
- The Commission should let the current process work and should not attempt to remove protection from incumbents while requiring incumbents to bear more of the burdens associated with relocation. (4)

AT&T WIRELESS SERVICES, INC.

Interest: PCS licensee

Cost Sharing

Use of Formula

- Depreciation should be calculated from the date when the PCS provider places its system into service. (10)

Compensable Costs

- PCS relocators should be eligible for cost sharing with respect to any payments made to or on behalf of an incumbent microwave licensee without having to substantiate the reasonableness of such payments. Payments at or under the cap should be considered per se reasonable. This will facilitate relocation agreements and account for agreements in which a cash payment is made to the incumbent in lieu of building a new system. (10-11)

Reimbursement Cap

- For costs up to and including \$250,000, the party need only show that the payments were made to or for the benefit of the incumbent microwave licensee. Relocation costs beyond \$250,000 will not be compensable unless they are demonstrated to be reasonably necessary and reflect actual relocation costs. (5 n.11)

Interference Standard and Trigger for Obligations

- Proposes that cost sharing obligations be triggered based on the Proximity Threshold adopted in the private agreement signed by the Commenter. See summary of comments of GTE Service Corporation for full explanation. This method is easier and than the computations required by Bulletin 10-F and would minimize the potential for disputes. (7-9)

Private Agreements

- The commenter has entered into a private agreement with four other PCS licensees for the sharing of relocation costs. The FCC should not interfere with these agreements. PCS providers that enter into such agreements should be required to fund only their share of the clearinghouse's activities. (3-6)

Relocation Rule Modifications

Voluntary Negotiation Period

- To prevent abuse of the relocation rules, the FCC should reduce the voluntary negotiation period to no more than one year after the PCS licensee has notified the incumbent of its desire to commence negotiations and requiring incumbents to negotiate in good faith during the voluntary as well as the mandatory period. If the FCC finds that the incumbent users are not negotiating in good faith, it should require the commencement of the mandatory negotiation period. The FCC should act on a petition to commence the mandatory period within 30 days. Without good faith negotiations by the incumbents, the PCS licensees are unable to relocate them and begin operations. (15-16)

Public Safety Certification

- Supports requiring incumbents to certify that they are entitled to public safety status. (14)

New Microwave Licensing in PCS Band

- Supports proposal to refrain from continuing to grant primary microwave licenses in the PCS band. However, this policy should be extended to secondary licensing. The FCC should clarify the PCS licensees do not have an obligation to relocate secondary licensees. Secondary licensees should be required to cease operations when asked to do so by PCS providers or on a date certain. (13)

Twelve-Month Test Period

- Incumbents should be allowed to waive the test period and other rights as part of contractual negotiations with the PCS licensee. (12)

Secondary Status in 2005

- Supports converting all incumbents to secondary status after which time they will not be protected from interference from primary operations. (13)

BELLSOUTH CORPORATION

Interest: RBOC and new PCS entrant

Cost Sharing

- Supports adoption of rules requiring all PCS entities that benefit from the relocation of a particular co-channel incumbent licensee to share in the costs associated with relocation, since such rules eliminate the "free rider" problem caused by links that straddle spectrum blocks, encourage system wide relocation of multiple links, and promote early relocation. (1-2)

Use of Formula

- Supports the use of a formula, but believes the proposal can be simplified conceptually and algebraically by using:

$$T_N = \frac{C}{N} \times \frac{120 - T_M}{120}$$

Where T_M is the number of months that have passed since the relocater obtained its reimbursement rights, which should be calculated for administrative expediency commencing on the first day of the calendar month after the relocater obtained its rights and is calculated month to month (rather than using 30 day intervals). (2-3)

Compensable Costs

- Compensable costs should not include premium payments, even under an accelerated depreciation plan. (5)
- To encourage rapid relocation, conversion of analog equipment to digital should not be considered a "premium" during the voluntary negotiation phase and should be entitled to full reimbursement. (13-14)

Sunset Period

- Opposes proposal to "sunset" the clearinghouse in 2005, since payment obligations may extend beyond that date. (16)

Reimbursement Cap

- Supports the use of the proposed reimbursement caps. (7-8)

- Suggests that tower modifications should be treated under the additional \$150,000 rather than the \$250,000 cap, since many towers are over stressed and have deteriorated since they were constructed and therefore require modification. (18-19)

Reimbursement Rights and Date of Obligation

- The FCC should clarify that the acquisition date is the date the incumbent ceases operations, rather than the date of an agreement to cease operations. (10-11)

Interference Standard and Trigger for Obligations

- Suggests modifications (**bolded**) to the FCC's proposed reimbursement table to fully compensate relocators and minimize disagreements: (6-7)

	Fully Within Relocator's Block	Partly Within Relocator's Block	Outside of Relocator's Block
Both Endpoints Inside Relocator's Market	No Reimbursement	Pro Rata Reimbursement	100% Reimbursement
One Endpoint Inside Relocator's Market	50% Reimbursement	Pro Rata Reimbursement	100% Reimbursement
No Endpoints Within Relocator's Market	100% Reimbursement	100% Reimbursement	100% Reimbursement

- Contribution requirements should only be triggered in cases of co-channel (not for adjacent channel) interference as determined under TIA 10-F (or most current revision thereof) using the Longley-Rice propagation model to promote consistency and minimize disagreements. (16-18)
- Reimbursement for relocations with one endpoint only in the relocater's market and partly within the relocater's frequency block should also reflect pro rata reimbursement up to the amount allowed under the cap, taking into consideration a depreciation allowance that compensates for the later licensing of D, E, and F block licenses. (9)

Installment Payments Eligibility/Requirements

- Urges different installment payment plans for entrepreneurs and UTAM, with UTAM paying quarterly payments over a 5 year period at an interest rate of prime + 3%. (19)